GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:7348
ANSWERED ON:12.05.2000
SPECIAL ECONOMIC ZONES
ABDUL HAMID;ARUN KUMAR;MOHAN RAWALE;NAWAL KISHORE RAI;PRABHAT KUMAR SAMANTARAY;RAGHUNANDAN LAL BHATIA;RAMJI LAL SUMAN;SUSHIL KUMAR INDORA;SUSHIL KUMAR SAMBHAJIRAO SHINDE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have decided to set up the Special Economic Zones as per the new Exim Policy declared recently;

(b) if so, the criteria adopted for setting up of the Special Economic Zones;

(c) whether a provision to allow 100% Foreign Direct Investment in all products in the zone has been made;

(d) if not, the reasons therefor;

(e) the functions of these zones; and

(f) the places identified to set up these zones in the country, State-wise?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(a) to (f): In the Export and Import Policy effective from 1.4.2000,the Government has announced a policy for setting up of Special Economic Zones (SEZs) in the country for promotion of exports.SEZs can be set up in the public, private, joint sector or by the State Governments. There is no proposal to set up any new SEZ by the Central Government.However, some of the existing EPZs are proposed to be converted into SEZs. The criteria kept in view while locating SEZs include size of the Zoneproximity to sea/airport, availability of basic infrastructural facilities like roads, power and water supply, banking, communication facilities and access to social infrastructure such as housing, health and educational facilities. Foreign equity upto 100% is permissible in the case of SEZ units.